

QWEST CORPORATION

STATE: Washington  
DOCKET NO: UT-073034  
CASE DESCRIPTION: In the Matter of the Petition of Qwest Corporation for Commission Approval of Stipulation Regarding Certain Performance Indicator Definitions and Qwest Performance Assurance Plan Provisions  
INTERVENOR: Bench Requests  
REQUEST NO: BCH 01-001

REQUEST:

Please describe whether the Stipulation or any portion of the Stipulation at issue in this docket is the result of any Regional Operating Committee (ROC) sanctioned collaborative discussions. If so, please identify the topic of the specific ROC discussions, the date the discussions occurred and the state commission staff participating in the discussions.

RESPONSE:

At the time the QPAP was being developed, the Long Term PID Administration ("LTPA") was the forum under discussion and the "industry Regional Oversight Committee (ROC) PID administration forum" contemplated under QPAP Section 16.1.1. In 2002-2003, the ROC was organized differently and included a Technical Advisory Group or TAG. The TAG no longer exists and the ROC has evolved into a different function where even the ROC website acknowledges:

The Regional Oversight Committee (ROC) is an informal organization of state commissioners and staff from 14 states from the West and Midwest. ROC allows the state regulatory commissions to share knowledge and improve customer protection.

The Joint Stipulation was the direct result of a notice Qwest provided to CLECs in its local region inviting them to participate in the PID Management Process ("PMP").

Following the discontinuance of the LTPA, the Commission's order in the Second Six Month Review approving the Arizona Stipulation (WUTC, Order No. 10, UT-0403007 and Order No. 01, UT-043119 dated January 12, 2005), and the Arizona Commission's order addressing PMP and directing parties to meet to further collaborate, PMP was implemented as the successor process to the LTPA.

As such, Qwest believes that "collaborative sanctioned discussions" could reasonably be interpreted to be the PMP given the regional collaborative nature of this successor process. PMP, like LTPA, allows issues common to multiple states to be addressed in a regional forum providing efficiency and time-savings in the six-month review proceeding. See 47th Supplemental Order, para. 14-17.

The PMP was a portion of Mike Williams' presentation at the ROC meeting on October 18, 2006. The agenda for that meeting is available from <http://www.regionaloversightcommittee.org/Fall%2006%20RC/handoutroc06.htm>. Mr. Williams made himself available for questions and Qwest believes that representatives from all state commissions attended the Fall 2006 ROC meeting.

Respondent: Christopher Viveros

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STATE: Washington

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INTERVENOR: Bench Requests

REQUEST NO: BCH 01-002

REQUEST:

Please describe how Qwest notified staff of state commissions in Qwest's 14-state local service territory of the discussions and negotiations to modify performance indicator definitions (PIDs). Please provide copies of the original and any follow-up notifications to state staff about the process or results of negotiations.

RESPONSE:

Please see Attachment A which is a copy of the original notification. More generally, during the Fall 2006 ROC meeting on October 18, negotiations progress was discussed at a high level during Mike Williams QPAP presentation.

Respondent: Qwest Legal

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INTERVENOR: Bench Requests  
REQUEST NO: BCH 01-003

REQUEST:

The Stipulation contains a performance indicator definition (PID) reinstatement/removal process that proposes to remove 14 PIDs from Qwest's Performance Assurance Plan (QPAP) payment obligation upon approval. Eleven of the 14 PIDs require Tier 2 payments. Please describe, in detail, the specific effects of the retroactive provision of the Section I.E. of the Stipulation, including the effect on competitive local exchange carriers (CLECs) subject to the QPAP, the calculation and payment of Tier 1 and Tier 2 payments, and the ability of state commissions to order reinstatement of PIDs.

RESPONSE:

Specific effects of the retroactive provision of the Reinstatement/Removal process

As described in Section 3.3, in the event that the aggregate CLEC performance misses the PID standard for three consecutive months, the effect of the retroactive provision is to provide both CLECs (Tier 1) and Washington (Tier 2) with payments for PID performance misses that would have been paid had the PID been subject to the payment mechanisms of the QPAP during those three months.

The payments are calculated in the same manner, i.e., the reinstatement/removal process doesn't change payment calculations, with the exception that interest is calculated as WA BR #3 Response described in Section 3.3.2.2 and added for the period between when the payment would have been made - absent reinstatement/removal - and when it actually is made.

As an example, PID X is subject to reinstatement/removal and has the following hypothetical performance:

January 2008	Met/Missed Standard
CLEC 1	Met
CLEC 2	Met
CLEC 3	Miss
Aggregate CLEC	Met
February 2008	
CLEC 1	Miss
CLEC 2	Met
CLEC 3	Met
Aggregate CLEC	Miss
March 2008	
CLEC 1	Miss
CLEC 2	Met
CLEC 3	Miss
Aggregate CLEC	Miss
April 2008	
CLEC 1	Met
CLEC 2	Miss
CLEC 3	Miss

Aggregate CLEC

Miss

Because aggregate CLEC performance missed the standard for 3 consecutive months (February - April), the PID would be automatically reinstated and subject to performance payments each month beginning with May 2008 performance. Additionally, CLEC 1 would receive retroactive payments for February and March performance. Those payments would be calculated in the same manner as though PID X had been subject to the QPAP's normal payment mechanisms with three months of interest added to the February payment amount and two months of interest added to the March payment amount.

Likewise, CLEC 2 would receive a retroactive payment for the April performance miss with interest and CLEC 3 would receive retroactive payments for March and April performance with interest added. Further, to the extent that PID X was also a Tier 2 measure, Washington would receive a retroactive payment with interest as well.

Ability of State Commission to Order Reinstatement of PIDs

The negotiated terms of the Reinstatement/Removal process provide for automatic reinstatement of PIDs based on performance. To the extent performance doesn't trigger reinstatement, PIDs could be reinstated through the avenues described in Section 16.1 including through a six month review (16.1), approving a stipulated agreement between Qwest and CLECs (16.1.1), the WUTC's state law authority (16.1.2) or by granting a request for exemption based on a submitted root cause analysis (new term 16.1.3).

Respondent: Chris Viveros